GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:3948
ANSWERED ON:13.12.2001
RESTRUCTURING OF ONGC
GANGASANDRA SIDDAPPA BASAVARAJ

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Oil and Natural Gas Corporation has decided to go in for a major restructuring plan; and

(b) if so, the details of the new plan that are being considered?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS AND MINISTER OF STATE IN THE MINIS PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

(a) & (b): Oil and Natural Gas Corporation (ONGC) had, in March,1997, initiated a project for restructuring of the Corporation in consultation with M/s McKinsey and Company Incorporated, international management Consultants.The restructuring process was initiated first as a pilot project for `Neelam Field` in August, 1997 and then in `Western Region Business Centre` in April, 1999.The process was fine-tuned from time to time in light of the experiences gained while implementing the pilot projects. The re-structuring plan was approved by the Board of Directors of ONGC in July, 2001 and implemented in ONGCThe plan was named as the Corporate Rejuvenation Campaign, (CRC).The CRC envisages continuous process of improvement in all activities to achieve and surpass international oil companies. The structural changes, concerning manpower resources, redistribution and re-assignment of responsibilities, envisage core activities being assigned to seven `Basins` for exploratory work and to ten `Assets` for production work under the overall control and guidance of the management of Board of Directors.